

**Minister of Finance of the USSR  
Position Papers**



*Министерство финансов СССР*

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**Committee:** Council of Ministers of the Soviet Union  
**Topic A:** Establishing the Union's Interests in Berlin



**Addressed to** Premier Nikita Sergeyevich Khrushchev,  
**From** The Minister of Finance, and respective Ministry.

At the Yalta and Potsdam Conferences of 1945, the Allied Forces had negotiated several measures to maintain long-term peace and Europe, among them the division of German territory between France, Britain, America, and these United Socialist Soviet Republics. The territory was divided into four territories, and so was the capital city, Berlin. When the west united their territories into what was the so-called West Germany, in an attempt to gain a bigger economic influence in Europe over these United Republics, and the late comrade Josef Stalin, in a smart political maneuver, cut railways and road links to Allied-occupied Berlin. Still, America was persistent in trying to supply it, by delivering supplies by plane. Of course, the nation, in a gesture of good faith, entered negotiations with the US, but the Americans exploited the opportunity to make anti-soviet propaganda. The following years leading up to the current crisis were of growing tensions between the US Government and these Soviet Republics, through the establishment of both German Republics within the North Atlantic Treaty Organization, and a strong western presence in Berlin.

The current crisis came to be as the Supreme Soviet could not allow this western presence in Berlin to persevere, posing a threat to Soviet sovereignty and national security. Premier Kruschev, in November of last year, 1958, manifested a stronger position in relation to this issue, delivering a speech giving the US and the other capitalist nations present there the opportunity to pull out of West Berlin peacefully. This is a position that has been long desired by the Soviet government and the great proletariat, as the Soviet unification of Berlin would prevent the western powers to exploit the Potsdam Agreement, which would allow the city to become an independent nation-state, turning into an even bigger threat to Soviet national integrity. As stated by Premier Kruschev himself, "The imperialists have turned the German question into an abiding source of international tension." The Supreme Soviet had already issued an official note to the governments of the western powers with the entailed demands, however, none of the countries respected the six months deadline, or took action at all, so tensions are high.

The Ministry of Finance is very worried about the impending crisis. The Ministry does not believe it can efficiently administer funds for conflict at this specific point. The Union has been undergoing a drastic change in policies since 1953, where Premier Kruschev, upon taking power, instituted various policies in increasing agricultural production, which yielded a shortage of fertilizers and therefore demanded an expansion in the sown area. This was known as the very successful fifth five-year plan, however, in the wake of the failure of the sixth five-year plan, due to overly ambitious investments, the Soviet economy needs at least two to three years to solidify further economic prosperity which should be guaranteed by the recently implemented seven-year plan. Due to such, the Minister of Finance, and by consequence the Ministry of Finance, will strive to resolve the tensions peacefully, through methods of economic and political strong-arming, hopefully allowing the Union to further solidify its influence in Eastern Europe, eliminating any possible threat that western imperialist forces may pose.

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**Topic B:** Establishing Ballistic Missile Position in Cuban Retaliation to the American Equivalents in Italy and Turkey



**Addressed to** Premier Nikita Sergeyeovich Khrushchev,  
**From** The Minister of Finance, and respective Ministry.

Historically, Latin America is a very fertile land, politically speaking. Latin American countries are young, and due to the fact that most are still emerging nations, many governments are still ripe for change. As expected, the American imperialists have already done as much as they could in order to extend their power over the region, however, the Supreme Soviet has taken fast and decisive action in order to attempt to spark a popular counter-movement in the region, to free these nations from capitalism. One successful example is Cuba, where a nationwide strike led by the Cuban communist leader Fidel Castro was able to overthrow the brutal US-backed military dictatorship the country had been under. Since then, Moscow has kept close ties with Havana. The US attempted to use armed Cuban infiltrates to overthrow Castro, which allowed Russia to further strengthen the ties with the emerging communist power in Latin America, by making a military deal which entailed equipping the Cuban army with state-of-the-art weaponry and technology.

The US, by all means, tried to prevent this and started an intense espionage campaign, such as conducting military drills and sending planes to photograph and oversee the construction of military bases in Cuba. A U-2 Spy plane flew over a facility in October 1962, identifying that the Soviet Union was aiding Cuba in the construction of short-range and long-range missile bases capable of launching short-range missiles that could potentially carry nuclear warheads, with a reach long enough to cover the bigger part of American territory, including major cities of the West Coast, such as New York and Washington, and other major population centers, for example Chicago, Boston, New Orleans or Salt Lake City. These bases being built were in retaliation to missile bases built by Yankee imperialists in Italy and Turkey, with the same capabilities to the equivalents being built in Cuba, in order to threaten Russia whenever it was convenient. Of course, it is clear for both sides that a nuclear attack, ordered by any side, would lead both nations to a state of Mutual Assured Destruction (MAD), and the rest of the world would have to face the consequences.

The Ministry of Finance and the Minister himself have found to be very worried about the ongoing crisis. The Minister has been found very enthusiastic in suggesting measures entailing budget changes and fund relocations for military purposes. Also, measures that allow economic, and by consequence, military alliances to be formed or strengthened are, naturally, well-perceived by the ministry, however, sees this diplomatic moment to be extremely strained and believes that all measures taken in regards to this should be of uttermost care. The Minister believes that the best way to solve the issue is to secretly open direct talks between Moscow and Washington to negotiate a mutual peace deal, in hopes of neutralizing this tension. The Minister would like to reinforce his belief that any type of direct conflict with the US would destroy the Soviet economy, and it is of uttermost priority to keep that as stable as possible, in favor of the well-being of the nation and the spread of communism throughout the world.

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**Topic C:** The Second Taiwan Strait Crisis



**Addressed to** Premier Nikita Sergeyevich Khrushchev,  
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The Soviet Union, based on the principles written by Marx and following the example of the actions taken by Vladimir Lenin during the glorious days of the Bolshevik proletariat revolution, always believed that the spread of communism throughout the world was one of the most important objectives of the country; something to be held at the highest regard. Based on this, the nation always took actions to try and spread the ideology throughout the globe, this being Western Europe, Asia, Latin America, and Africa. During Stalin's rule, Russia encouraged the People's Republic of China to keep close relations with the Soviet bloc, and recommended countless measures, many of which were ignored and the ones that were taken were with extreme caution, as the Chinese Communist Party believed that Stalin was attempting to weaken Chairman Mao's rule, in order to assimilate it into the USSR. Premier Khrushchev, from the moment he came to power, he began a process of de-Stalinization of the USSR, and Chairman Mao was not pleased with such actions. Mao still believed in conservative Stalinism, which was the tactics he had used to come to power, and also saw the decreasing aggressiveness of the Soviet Union in regards to the west as a step backward in the development of communism. When the Kuomintang party, the nationalistic ruling party of China flees to Taiwan and establishes its dominance over adjacent islands, there was a drastic increase in tensions, and US President Harry Truman moves the American Navy's 7th Fleet in 1950 into the strait in order to neutralize any possible conflict that might spark. In 1953, President Eisenhower ordered the removal of the American Navy from the strait, however, Taiwan resumed aggressive troop placement, which made the PRC start bombing the regions, and the US, which had a mutual defense agreement with Taiwan, had engaged in the battle. Premier Khrushchev then visited Chairman Mao and asked him to take a more diplomatic stance and open negotiations, as the imperialists declared they would use nuclear weapons.

The current crisis started when Mao put into action his second five-year plan in 1958, which, in general, was meant to turn China into the first fully communist nation of the world. Also, the PRC has begun to take aggressive action towards the former Chinese government, now deliberately targeting Taiwan and attacking the Kinmen island and the Matsu archipelago. Also, China insisted on creating a fissure between Soviet and Chinese governments, accusing any action of "Soviet imperialism", and are now using these attacks on Taiwan in a futile attempt to try to show the world Chinese military and political power.

The Finance Minister finds this dire situation to be in need of drastic measures. A possible Soviet military intervention, similar to what Yankee Imperialist Truman did in 1950 to ease the tensions. The Ministry of Finance, under the direction of the respective Minister, would be open to relocating any funds deemed necessary to combat the situation. An operation entailed as such could solve the situation preventing the US to use nuclear weapons, whilst stopping both Chinese and Taiwanese aggressive actions while reaffirming Soviet military and political might to the world.